JCAR380217-2106151r02

| 1 | TITLE 38: FINANCIAL INSTITUTIONS |
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| 2 | CHAPTER I: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION |
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| 4 | PART 217 |
| 5 | MOTOR VEHICLE RETAIL INSTALLMENT SALES ACT |
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| 7 | Section |
| 8 | 217.100 Rate Cap Disclosure Notices |
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| 10 | 217.APPENDIX A Disclosure of 36% Rate Cap |
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| 12 | AUTHORITY: Implementing and authorized by Section 26.1 of the Motor Vehicle Retail |
| 13 | Installment Sales Act [815 ILCS 375] and the Predatory Loan Prevention Act [815 ILCS 123] |
| 14 | |
| 15 | SOURCE: Adopted at 46 Ill. Reg, effective |
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| 17 | Section 217.100 Rate Cap Disclosure Notices |
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| 19 | All applications for a retail installment contract must include a separate disclosure signed by the |
| 20 | consumer that states: "A retailer shall not contract for or receive charges exceeding a 36% |
| 21 | annual percentage rate on the unpaid balance of the amount financed for a retail installment |
| 22 | contract, as calculated under the Illinois Predatory Loan Prevention Act (PLPA APR). Any retail |
| 23 | installment contract with a PLPA APR over 36% is null and void, such that no person or entity |
| 24 | shall have any right to collect, attempt to collect, receive, or retain any principal, fee, interest, or |
| 25 | charges related to the retail installment contract. The annual percentage rate disclosed in any |
| 26 | retail installment contract may be lower than the PLPA APR." This disclosure shall be clear and |
| 27 | conspicuous, and shall be substantially similar to the form in Appendix A. A retailer shall |
| 28 | provide all disclosures required by this section in English and in the same language as the retail |
| 29 30 | installment contract agreement. |
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| 31 | Section 217.APPENDIX A Disclosure of 36% Rate Cap |
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| 33 | DISCLOSURE OF 36% RATE CAP |
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| 35 | A retailer shall not contract for or receive charges exceeding a 36% annual percentage rate on the |
| 36 | unpaid balance of the amount financed for a retail installment contract, as calculated under the |
| 37 | Illinois Predatory Loan Prevention Act (PLPA APR) |
| 38 | |
| 39 | Any retail installment contract with a PLPA APR over 36% is null and void, such that no person |
| 40 | or entity shall have any right to collect, attempt to collect, receive, or retain any principal, fee, |
| 41 | interest, or charges related to the retail installment contract. |
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| 43 | The annual percentage rate disclosed in any retail installment contract may be lower than the |
| 44 | PLPA APR. |
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| 49 | Applicant Signature |
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| 53 | Co-Applicant Signature (If Applicable) |
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